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### MINISTRY OF COMMERCE

#### PUBLIC NOTICE

#### IMPORT TRADE CONTROL

New Delhi, the 1st October 1964

SUBJECT:—*Import of Heavy Transportation Equipment by State Public Works Departments, Public Sector Agencies and Large Civil Works Contractors under International Development Credit (I.D.A.) for April 1964—March 1965.*

No. 85-ITC(PN)/64.—A loan of \$ 0.6 million has been made available under \$ 90 million I.D.A. Credit for import of Heavy Transportation Equipments subject to the terms and conditions indicated in the Appendix to this Public Notice.

2. The following categories will be eligible to make applications for import of heavy Transportation Equipments:

- (i) State Public Works Departments.
- (ii) Other Public Sector Agencies which have substantial fleet of Earth-moving equipments and which require to be moved from one Project site to another. The applications should be duly supported by the sponsoring Ministry.
- (iii) Large Civil Works Contractors who will have a justifiable need for such transporters and shall be willing to rent such transporters to other users of heavy earthmoving and construction equipment. For this purpose the Large Civil Contractors would be defined as under:
  - (a) having outstanding civil works contracts for values exceeding \$3.00 million;
  - (b) are allowed under Indian Regulations to quote on Government Civil Works Contracts of more than \$100,000 equivalent, and have had sufficient experience with mechanized methods of work and with the particular type of equipment to be imported under the I.D.A. Credit. The applications from Civil Works Contractors for import of heavy transportation equipment should contain the following information:
    - (1) List of contracts which the firm has on hand stating in each case the date on which the work has commenced and the terminal date for the work.

- (2) List of major pieces of equipment (and values) and/or use, already in possession of the firm;
  - (i) by way of purchase;
  - (ii) by way of hire during the last twelve months.
- (3) Any other information to show that the applicant has sufficient experience with mechanised methods to work and with a particular type of equipment to be imported under the Credit.

3. Import licences for import of specific items of heavy transportation equipments under I.D.A. Credit shall be issued only on receipt of intimation from the importers accepting the terms and conditions contained in the Appendix to this Public Notice.

4. The applications for import of Heavy Construction Equipments under I.D.A. Credit from the State Public Works Departments, other Public Sector Agencies and Large Civil Works Contractors who satisfy the above conditions for the year April 1964—March 1965 duly supported by the documents/information as required in para 2 above should be superscribed at the top with the words 'Under I.D.A. Credit for Heavy Transportation Equipment' and should be submitted in the usual form and manner (Form 'E' in Appendix 6 to the Red Book for April, 1964—March 1965) to the Chief Controller of Imports and Exports, 'Udyog Bhavan', New Delhi, so as to reach not later than 28th October, 1964.

APPENDIX TO MINISTRY OF COMMERCE PUBLIC NOTICE NO. 85-ITC(PN)/64, DATED 1ST OCTOBER, 1964

*Terms and conditions governing the issue of import licences for Heavy Transportation, Equipment by State Public Works Departments, Public Sector Agencies and Large Civil Works Contractors under International Development Association Credit for April 1964—March 1965.*

- (i) The import must be made from any of the countries who are members of the World Bank including Switzerland (List in Annexure I) but excluding South Africa/South West Africa.
- (ii) *Ordering.*—Firm orders must be placed on the suppliers within ninety days of receipt of the import licence and the goods shipped within the validity period. Copies of the orders placed should be forwarded simultaneously to the Ministry of Finance (Deptt. of Economic Affairs) Economic Aid (Accts.) Branch, New Delhi. A statement of the orders in the form *vide* Annexure II should be sent on the first of each month to the Department of Economic Affairs. The first report should include particulars of all eligible licences and imports.
- (iii) *Payments.*—The cost of goods acquired must be paid for in the respective currencies of the countries from which such goods are acquired. Expenditure incurred in Indian currency or for goods procured in (including services supplied from) India and also from countries who are not members of World Bank *vide* Annexure is not reimbursable for the purpose of these orders.
- (iv) Payments against the import licences may be made by the Importers through Authorised Dealers in foreign exchange in India in the normal manner. The Importers shall indicate in their contracts with suppliers that certain documents required by the I.D.A. Washington have to be submitted by the supplier to the Importers. These documents are indicated in Annexure III, and should be sent along with a proforma as indicated in Annexure IV. Two sets of documents would be required—one for payment purposes and the other for purposes of obtaining reimbursements from the I.D.A. The authorised dealers in foreign exchange while opening Letters of Credit against such import licences would also call for these documents. When bills drawn under the Letters of Credit are paid by the drawee and the amount remitted to the Principal suppliers abroad, these documents would be separated and pinned together and forwarded by the dealers in Foreign Exchange direct to the Ministry of Finance, Department of Economic Affairs, Economic Aid (Accts) Branch, New Delhi (Attention Shri P. C. Jain, Assistant Accounts Officer), with the particulars of the relative import licence duly noted on each of these documents. In the cases where bills are received by the

Authorised Dealers in Foreign Exchange on collection basis to cover imports, the proceeds of the bills would not be remitted unless the drawees (the importers) furnish to the authorised dealers in foreign exchange these documents for forwarding to the Ministry of Finance (DEA) Economic Aid Accounts Branch. While opening the Letters of Credit through the Indian Banks, these conditions should be stipulated to the bank. This will, however, not absolve the importers from the responsibility of submission of proper documents. The Ministry of Finance will approach the importers for the relevant documents.

- (v) *Documentation*.—After payments, the importers must arrange to furnish expeditiously the various prescribed documents (Annexure III) in complete shape to the Ministry of Finance, Dept. of Economic Affairs, Economic Aid (Acct) Branch, New Delhi to enable them to claim reimbursement from the I.D.A. As payments will usually be made through the importers' Bankers in India arrangements should be made with the Bankers to send the documents direct to the Ministry of Finance promptly. This will expedite the drawals by the Government of India.
- (vi) *Maintenance of Books and Records*.—The importer shall maintain books and records adequate to identify the goods acquired out of the proceeds of the credit to disclose the use thereof in the project and to record the progress of the project. Such books and records shall be maintained for a period of five years after the date of acquisition of goods. Importer shall enable the authorised representatives of International Development Association to inspect the relevant records and documents related to the project, the goods acquired out of the proceeds of the credit and shall afford all reasonable opportunity and assistance to them for such examination in case the officers of International Development Association propose to carry out any such inspection.
- (vii) *Reporting*.—The International Development Association requires quarterly reports indicating the rate at which withdrawals are expected to be made throughout the disbursement period of the Credit. In order to enable the Ministry of Finance (Deptt. of Economic Affairs) to compile such a report, a statement in form in Annexure VI should be sent by the importers to that Ministry at the end of each quarter i.e. quarter ending March, June, September and December by the 10th of the Month following the reporting period.
- (viii) The importer should apprise the supplier of any special provisions in the import licences which affect the suppliers in carrying out the transactions.
- (ix) It should be understood that the Government of India will not undertake any responsibility for disputes, if any, that may arise between the importers and suppliers.
- (x) The importer shall promptly comply with any directions, instructions or orders, issued by Government regarding any and all matters arising from or pertaining to the import licences and for meeting the obligations under the agreement.
- (xi) *Breach of violation*.—Any breach of violation of the conditions set forth in the clauses mentioned above will result in appropriate action under the Imports and Exports (Control) Act.

## ANNEXURE—I

(Referred to in Clause (i) of Appendix to Ministry of Commerce Public Notice No. 85-ITC(PN)/64 dated 1.10.1964.)

## LIST OF WORLD BANK MEMBERS AND SWITZERLAND

Afghanistan.	Korea, Republic of Kuwait.
Algeria.	Kuwait.
Argentina.	Laos.
Australia.	Lebanon.
Austria.	Liberia.
Belgium.	Libya.
Bolivia.	Luxembourg.
Brazil.	Malaysia.
Burma.	Malagasy Republic.
Burundi.	Mali.
Cameroun.	Mauritania.
Canada.	Mexico.
Central African Republic.	Morocco.
Ceylon.	Nepal.
Chad.	Netherlands.
Chile.	New Zealand.
China.	Nicaragua.
Colombia.	Niger.
Congo (Brazzaville).	Nigeria.
Congo (Leopoldville).	Norway.
Costa Rica.	Pakistan.
Cuba.	Panama.
Cyprus.	Paraguay.
Dhomey.	Peru.
Denmark.	Philippines.
Dominican Republic.	Portugal.
Ecuador.	Rwanda.
El Salvador.	Saudi Arabia.
Ethiopia.	Senegal.
Finland.	Sierra Leone.
France.	Somalia.
Gabon.	South Africa.
Germany (Fed. Rep.).	Spain.
Ghana.	Sudan.
Greece.	Sweden.
Guatemala.	Syria.
Guinea.	Tanganyika.
Haiti.	Thailand.
Honduras.	Togo.
Iceland.	Trinidad & Tobago.
India.	Tunisia.
Indonesia.	Turkey.
Iran.	Uganda.
Iraq.	United Arab Republic.
Ireland.	United Kingdom.
Israel.	United States.
Italy.	Upper Volta.
Ivory Coast.	Uruguay.
Jamaica.	Venezuela.
Japan.	Vict-Nam.
Jordan.	Yugoslavia.
	Kenya.

## ANNEXURE—II

(Referred to in Clause (iii) of Appendix to Ministry of Commerce Public Notice No. 85-ITC(PN)/64 dated 1.10.1964.)

Monthly report regarding orders placed  
(due on 1st of each month).

- (i) No. and date and value of import licence.
- (ii) No. and date and value of orders placed and accepted by the suppliers (copies of orders enclosed).

- (iii) Name and address of the suppliers.
- (iv) General Description of the equipment to be imported.
- (v) Particulars of goods received—Bill of Lading No. and date of delivery, name of ship and date of payment to foreign supplier or their bankers.
- (v) Phasing of further deliveries. Please show the expected date of the shipment and the expected date of remittance to the supplier or their bankers.

### ANNEXURE III

[Referred to in clauses (iv) and (v)] of Appendix to Ministry of Commerce Public Notice No. 35-ITC(PN)/64, dated 1st October 1964.

Documents required in connection with each application for reimbursement under IDA Credit.

(a) Suppliers' Invoice, describing the goods or services (Original or legible copy).

(b) Evidence of Payment in the form of:

- (1) Receipted invoice or formal receipt of the supplier [unless furnished under (a) above]; or
- (2) Cancelled bank check or draft or photostatic copy thereof; or
- (3) Commercial Bank's Report of payment (IDA Form I-I, a copy of which is attached hereto) may be used when payment has been made under a commercial letter of credit; or
- (4) Other evidence satisfactory to the IDA.

(c) Evidence of Shipment, in the form of:

- (1) A copy of a bill of lading (this need not be a signed copy); or
- (2) A statement of the supplier or forwarder that the goods have been shipped. This statement should include the approximate date of shipment, the method of transportation (i.e. air, rail or sea) and the destination of the ship; the name of the vessel (if known) should be given.

NOTE 1.—If shipment has not been made at the time the application is submitted or if the application relates to a down or progress payment on a contract, evidence of shipment should be furnished to the IDA as soon as possible after shipment, under cover of Form D (attached). This evidence of shipment should be accompanied by a copy of the supplier's final invoice in cases where the application relates to a down or progress payment.

NOTE 2.—When commercial letters of credit are used no evidence of shipment is required if the Bank's Report of Payment indicates that documents evidencing shipment were produced to the Commercial bank at the time payment was made; otherwise evidence of shipment as described in (c) (1) or (2) above would be required.

(d) If the withdrawal is to reimburse the Borrower for a down or progress payment, a copy of the contract or purchase order is required. It is of course only necessary to submit this document once. If payment has been made on a contract on the basis of work performed, in addition to a copy of the contract, the Borrower should furnish an engineer's certificate or progress report showing that the payment was due.

(e) Information regarding No. and date of the relevant purchase contract/order.

N.B.—The documents should be sent along with the proforma indicated at Annexure IV.

## ENCLOSURE I TO ANNEXURE III

(IDA Form 1-1)

BANK'S REPORT OF PAYMENT

SERIAL NO. \_\_\_\_\_

(Name of Commercial Bank)

Date of payment \_\_\_\_\_

Licence No. \_\_\_\_\_

IDA Credit No. \_\_\_\_\_

To \_\_\_\_\_  
(Name of Borrower or Borrower's Representative)

(Address)

We report having paid the sum of \$ \_\_\_\_\_  
to \_\_\_\_\_ under Licence No. \_\_\_\_\_

(Name of supplier)

\_\_\_\_\_ established by \_\_\_\_\_  
(Name and address of buyer)

Our payment commissioner amounts to \$ \_\_\_\_\_

Payment was effected against delivery of the documents as specified in/and  
in accordance with the terms and conditions of the Letter of Credit mentioned  
above evidencing shipment of \_\_\_\_\_

(General description of the merchandise including the quantity etc.)

Per S.S. \_\_\_\_\_ or R.R. \_\_\_\_\_  
from \_\_\_\_\_ to \_\_\_\_\_  
(Point of shipment) (Destination)

or storage or manufacture of the goods described at \_\_\_\_\_

The documents have been disposed of as follows:

Ocean documents have been forwarded to our above mentioned corres-  
pondent bank.The Railroad bill of lading, warehouse receipt or certificate of manufacture  
have been \_\_\_\_\_

(Disposition made)

Copy of the supplier's invoice is attached.

Very truly yours,

\_\_\_\_\_  
(Authorised signature)

FORM D.

## ENCLOSURE II TO ANNEXURE III

IDA

Date \_\_\_\_\_

IDA Credit No. \_\_\_\_\_

Pursuant to the Development Credit Agreement dated \_\_\_\_\_ between the In-  
ternational Development Association and the undersigned \_\_\_\_\_, the undersigned hereby submits the following  
additional documents in connection with the applications noted below:—

Borrowers' Application No.	Description and Identifying Nos. of Documents Enclosed	Date of Payment	Amount of Payment.
_____	_____	_____	_____

Very truly yours,

\_\_\_\_\_  
(Borrower's Representative)

## ANNEXURE IV

[ Referred to in clause (iv) of appendix to Ministry of Commerce Public Notice No. 85-ITC (PN) 64 dated 1-10-64 ]

Proforma for sending documents under the Non-Project IDA Credit—

Sl. No.	Category of goods	Currency in which Payment is made	Date of payment by importer	Date of Contract
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## ANNEXURE V

Quarterly report to be furnished as per clause (vii) of Appendix to Ministry of Commerce Public Notice No. 85-ITC(PN) 64 dated 1-10-1964

Currency of Payment	Supplying country	Expected remittances or payments by importers							
		12/64	3/65	6/65	9/65	12/65	3/66	6/66	9/66

P. SABANAYAGAM,

Chief Controller of Imports and Exports.

